



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

Testimony in SUPPORT of S.B. 1118, S.D. 1
Making an Emergency Appropriation to the Department of Health for Hazard Evaluation
and Emergency Response Preparedness

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: **April 1, 2015**
2:00 P.M.

Room Number: 308

1 **Fiscal Implications:** \$800,000 in general funds.

2 **Department Testimony:** The Department **STRONGLY SUPPORTS** this administration
3 measure, which requests an emergency appropriation of \$800,000 so that it can cover payroll and
4 administrative expenses for its environmental protection programs and respond to any
5 unforeseen environmental emergencies, like oil spills, for the remainder of the fiscal year. These
6 expenses are normally covered by the Department's Environmental Response Revolving Fund
7 (ERRF), which receives 5 cents of the \$1.05 Barrel Tax that is levied on every barrel of oil
8 imported into Hawaii, however because of the State's reduced consumption of oil over the last
9 several years, ERRF revenues have steadily declined by ~5% per year.

10 The ERRF is on a path to drop below zero cash balance before the end of this fiscal year when it
11 will no longer be able to support the 41 positions within the Department (31 filled positions) that
12 depend on it for funding. These include positions that respond to oil spills and hazardous
13 material releases, as well as positions that work on important environmental issues, like State
14 water quality monitoring, contaminated site remediation, and management of solid and
15 hazardous waste.

16 The Department has done a number of things to try to sustain the ERRF during this time of
17 financial crisis, including instituting a hiring freeze and unencumbering contracts, but this has
18 only succeeded in extending the time until the ERRF reaches zero balance by a few months.
19 Without adequate ERRF capitalization, the Department will need to begin the process of laying
20 off program staff as early as April 2015. The ERRF's dangerously low balance also means that
21 there is no reserve money available to fund any Departmental response to environmental
22 emergencies, like the response that was necessary during the Honolulu Harbor Molasses Spill.

1 In order to remedy this situation, the Department is requesting the one-time Emergency
2 Appropriation of \$800,000 in this measure and a 10 cent increase in the Department's Barrel Tax
3 allocation for the ERRF. The Department has also recently received a \$900,000 loan from the
4 State Treasury. The Emergency Appropriation, Treasury Loan, and 10 cent Barrel Tax
5 allocation increase will sustain the ERRF until FY 2018, and would help to ensure the
6 Department's ongoing ability to support ERRF-funded positions while it works on finding a
7 more viable, long-term source of funding.

8 Supporting this measure will help to ensure the State's ongoing environmental emergency
9 response capability, as well as maintain vital water monitoring, drinking water, and solid and
10 hazardous waste program staff.

11 Thank you for the opportunity to provide testimony on this important measure.

FIN-Jo

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 31, 2015 1:37 PM
To: FINTestimony
Cc: of8@hawaii.edu
Subject: Submitted testimony for SB1118 on Apr 1, 2015 14:00PM

SB1118

Submitted on: 3/31/2015

Testimony for FIN on Apr 1, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Flora Obayashi	Kahalu'u Neighborhood Board#29	Support	No

Comments: Aloha, I am Flora Obayashi, Kahalu'u Neighborhood Board Chair, reporting the Board's action to support the Clean Water Division of the Department of Health request for emergency funding. Watson Okubo and his staff are currently engaged in testing water for unhealthy bacteria level in Kahalu'u Lagoon and Stream. Please continue this very important project by voting to providing emergency funds to continue this effort to identify pollutions sources. Mahalo

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov